

# **Long-Term Update**

**January 10, 2008**

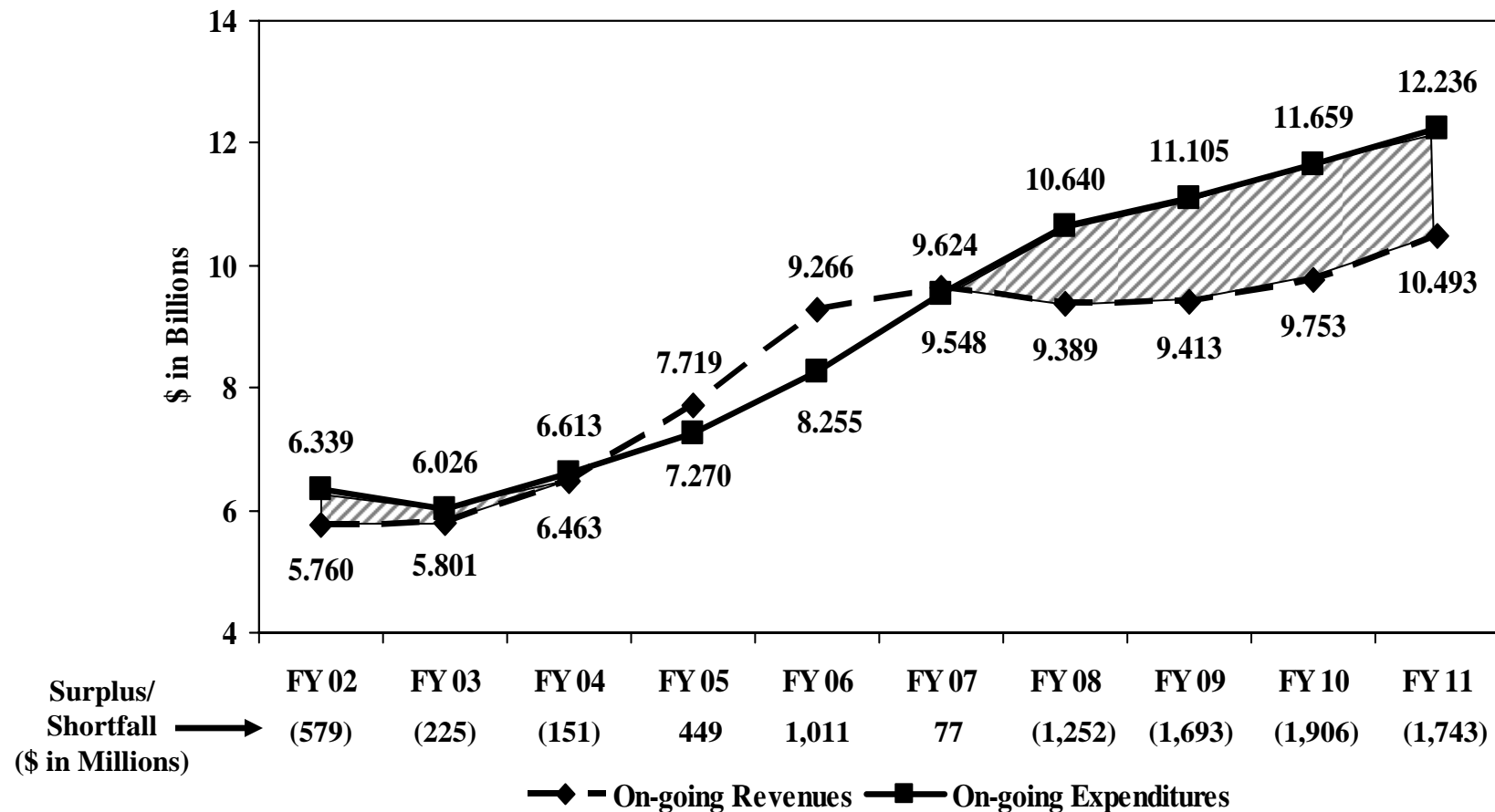
**JLBC**

## **Through FY 2011, General Fund Shortfall Remains Near \$(1.7) B**

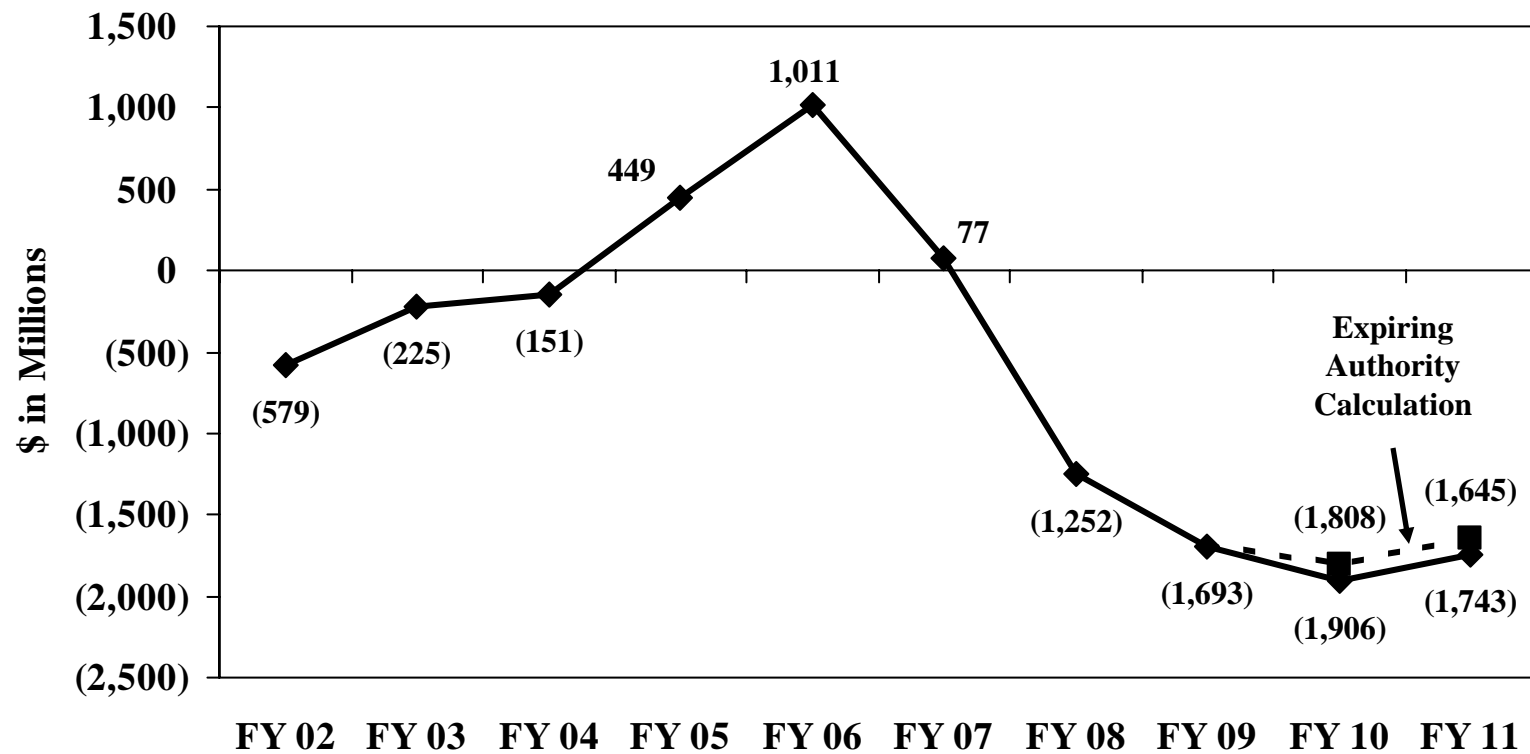
- Revenue growth is based on consensus estimates:
  - 4.7% in FY '10 and 7.2% in FY '11.
- Spending growth is based on statutory formulas.
- Calculation can be made either using current policy or current statutory requirement.
- Long term numbers are very sensitive to small % changes:
  - A 1% change in revenues in '09 -'11 would change the shortfall calculation by almost \$600 million.

# Structural Shortfall is at Least \$1.7 B Through FY '11

## - Cash Shortfall is Comparable



# Basing Structural Balance on Expiring Legislation Would Reduce FY 2010 Shortfall By \$98 M



On-Going Revenues Compared to On-Going Expenditures  
Surplus (+) / Shortfall (-)